

**IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA**

WARNER VALLEY FARM, LLC	:	No. 4:21-CV-01079
	:	
	:	
Plaintiff,	:	Judge Brann
	:	
vs.	:	
	:	
	:	
SWN PRODUCTION COMPANY,	:	
LLC,	:	
	:	
Defendant.	:	

ANSWER OF DEFENDANT SWN PRODUCTION COMPANY, LLC

Defendant SWN Production Company, LLC (“SWN Production”),
responds as follows to the complaint:

Parties

1. Despite diligent inquiry, SWN Production is without sufficient information to respond to the allegations of this paragraph and, so, they are denied.
2. Admitted. By way of further response, SWN Production is a limited liability company located at 1000 Energy Drive, Spring, Texas 77389.

The Oil and Gas Lease and Property in Question

3. Admitted.

4. (a)-(f) The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

5. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

6. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

Unitization of the Leasehold and Payment of Royalties

7. Admitted with the understanding that the assertion at 7(f) means to say “Campbell Ercole Demento *North* Gas Unit.”

8. Admitted.

9. Admitted.

10. Admitted.

11. Admitted.

12. Admitted.

13. Admitted.

14. SWN Production states that Plaintiff's royalty statements, like the one attached to the Complaint as Exhibit E, detail the source of Plaintiff's royalties. As such, allegations of this paragraph relate to a document and the document speaks for itself. To the extent they may be deemed to assert facts, those facts are denied.

Unitization and Royalties Have Breached the 2006 Lease

15. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

16. The allegations of this paragraph relate to a document and the document speaks for itself. The allegations of this paragraph also constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

17. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

18. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

19. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

20. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

21. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

22. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

COUNT I
Breach of Contract

23. SWN Production incorporates its answers to the allegations of the preceding paragraphs of the complaint as if fully set forth here.

24. Admitted.

25. Admitted.

26. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

27. Admitted.

28. Admitted.

29. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

30. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

31. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

32. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

33. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

34. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

SWN Production denies that Plaintiff is entitled to any of the relief sought in the prayer for relief.

COUNT II

Breach of Contract

35. SWN Production incorporates its answers to the allegations of the preceding paragraphs of the complaint as if fully set forth here.

36. Admitted.

37. Admitted with the understanding that the assertion means to say that “The Leasehold subject to the 2006 Lease has been *pooled* into the Units.”

38. Admitted.

39. Admitted.

40. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

41. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

42. SWN Production states that use of the terms “not recording” and “nature of hydrocarbons” are vague, ambiguous, overly broad, and subject to multiple interpretations. The allegations of this paragraph also constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

43. Admitted.

44. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

45. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

46. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

SWN Production denies that Plaintiff is entitled to any of the relief sought in the prayer for relief.

COUNT III
Declaratory Judgment – Constitutionality of Act 85 of 2019

47. SWN Production incorporates its answers to the allegations of the preceding paragraphs of the complaint as if fully set forth here.

48. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

49. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

50. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

51. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

52. Admitted.

53. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

54. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

55. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

SWN Production denies that Plaintiff is entitled to any of the relief sought in the prayer for relief.

COUNT IV
Breach of Contract

56. SWN Production incorporates its answers to the allegations of the preceding paragraphs of the complaint as if fully set forth here.

57. Admitted.

58. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

59. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

60. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

61. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

62. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

63. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

64. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

65. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

66. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

67. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

SWN Production denies that Plaintiff is entitled to any of the relief sought in the prayer for relief.

COUNT V
Breach of Contract
(In the Alternative)

68. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied

69. SWN Production incorporates its answers to the allegations of the preceding paragraphs of the complaint as if fully set forth here.

70. Admitted.

71. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

72. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

73. Admitted.

74. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

75. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied

76. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied

77. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

78. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

79. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

80. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

81. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

82. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

83. The allegations of this paragraph relate to entities other than SWN Production to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

84. The allegations of this paragraph relate to a document and the document speaks for itself. The allegations of this paragraph also constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

85. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

86. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

87. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

88. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

SWN Production denies that Plaintiff is entitled to any of the relief sought in the prayer for relief.

COUNT VI
Breach of Contract
(In the Alternative)

89. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied

90. SWN Production incorporates its answers to the allegations of the preceding paragraphs of the complaint as if fully set forth here.

91. Admitted.

92. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

93. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

94. Admitted.

95. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

96. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

97. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

98. The allegations of this paragraph relate to a document and the document speaks for itself. The allegations of this paragraph also constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

99. SWN Production states that use of the term “close proximity” is vague, ambiguous, overly broad, is subject to multiple interpretations, and constitutes an opinion to which no response is required. To the extent the allegations may be deemed to assert facts, those facts are denied.

100. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

101. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

102. The allegations of this paragraph relate to a document and the document speaks for itself. The allegations of this paragraph also constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

103. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

104. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

105. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied.

SWN Production denies that Plaintiff is entitled to any of the relief sought in the prayer for relief.

JURY DEMAND

106. The allegations of this paragraph constitute legal conclusions to which no response is required. To the extent they may be deemed to assert facts, those facts are denied

AFFIRMATIVE DEFENSES

1. SWN Production incorporates by reference its answers to each of the paragraphs of Plaintiff's complaint as if fully set forth herein.

2. The complaint, or some part of it, fails to state a claim for which relief may be granted.

3. Some or all of Plaintiff's claims are preempted.

4. Some or all of Plaintiff's claims are barred by waiver or estoppel.

5. Act 85 of 2019 permits the conduct of which Plaintiff complains.

6. Plaintiff's claims are barred, in whole or in part, by the applicable statute of limitations.

7. Plaintiff's claims are barred, in whole or in part, by the doctrine of laches.

Respectfully submitted,
K&L GATES LLP

/s/ David R. Fine

David R. Fine
Pa. Supreme Ct. No. 66742
Market Square Plaza
17 North Second Street, 18th Floor
Harrisburg, PA 17101
(717) 231-4500

Katherine M. Gafner
Pa. Supreme Ct. No. 311469
K&L Gates Center
210 Sixth Avenue
Pittsburgh, PA 15222
(412) 355-6500

*Counsel for Defendant SWN Production
Company, LLC*

July 12, 2021

CERTIFICATE OF SERVICE

I certify that, on July 12, 2021, I filed the attached document with the Court's CM/ECF system such that the following should receive service automatically:

Robert J. Burnett, Esq.
Brendan A. O'Donnell, Esq.
Houston Harbaugh, P.C.
401 Liberty Avenue
Three Gateway Center, 22nd Floor
Pittsburgh, PA 15222

/s/ David R. Fine